

Lesson 6 - COLLECTING FOR THE JOB

You probably wouldn't think that collecting for a limousine run would pose any real challenges for limo drivers. However, pay careful attention to this lesson because you'll find out collecting from your client really can on occasion, **present some challenges for you.**

In addition many limousine companies have in recent years changed over from hardcopy paperwork processing to new technology, digital, wireless processing systems and high-tech "business operations software" technologies.

For those of you who are "computer challenged"



. . . . you're going to have to **buckle up and learn about these new technologies** from your company.

There are a number of high-tech, software system providers for limousine companies and most of them provide some variation of the same features, but in different formats.

That means when you find a new position with a limousine company you'll have to commit some of your personal time to train-up on their system. However, you're going to find some limousine companies are way behind the curve on technology, so later in this lesson **we are going to coach you on a range of different experiences you have collecting from clients.**

In this lesson we're going to briefly touch on two aspects of collecting:

1. The mental quirks and gyrations you go through with some clients.
2. The administrative tasks of processing collections and payments.

Unless your run is a corporate charge, the driver is responsible for personally collecting and handling the money or credit card/debit card transactions for each run. **Clients pay for their limousine services** in one of the following ways (no IOU's are accepted):

1. **Using a Corporate Charge**
2. By Check
3. Using Cash
4. By Credit/Debit Card

That seems pretty simple, but after a nine-hour nightlife run, with plenty of drinking and fun



. . . . the client responsible to pay may be a little foggy or may even fall asleep. Sometimes clients think they have already paid you or they **become confused** about the hourly rental fee and gratuity.

When people drink alcoholic beverages over a period of several hours



. . . . their personalities can change. The nice guy you picked up totally sober after six hours of boozing turns out to be Attila the Hun or just an easy going, fall down drunk!

Heavy drinking can result in personality changes, forgetfulness and poor coordination, which complicates your collection process if you need to collect for additional time or your company policy is to collect at the end of the run.

On rare occasions the clients may have damaged the vehicle and must settle those damages by adding the costs to their bill; your dispatcher will be needed to determine these charges and to resolve the situation.

Sometimes, the client can't find his or her billfold or checkbook (if paying cash) or at the last minute you discover a member of the party has left her purse at the nightclub and you have to return to that location to recover it (which adds additional time to the bill for collection). On other occasions the client has spent all his or her money and can't come up with enough greenbacks to bail out of the reservation.

If you have followed my earlier instructions and completed



. . . . all the paperwork upfront with the proper signature you're home free with the exception of adding any damage costs.

These incidents happen infrequently But they do happen! **When in question always call your dispatcher** for instructions unless the office is closed at the time. I suggest you ask your dispatcher for some coaching on handling these situations, so you are adequately prepared.



Professional Chauffeur Tip – Most Trip Sheets are set up so when the client signs the agreement, they also agree to take responsibility to **pay for any damages** in the event a member of their party damages the vehicle. The damages section usually requires a separate signature from the client. Typical damages include getting sick, tearing the upholstery, burning cigarette holes in the carpets, the headliner or upholstery and breaking any of the glassware. The Trip Sheet protects you and the company should any dispute arise about these issues.

6.1 Special Instructions for Corporate Clients

Most limousine companies set up charge accounts for businesses, which routinely use limousine services. These clients are referred to as "Corporate Accounts" and these clients charge their limousine services, so drivers **do not collect** for performing the services.

However, you do have the client



. . . . sign the Trip Sheet with the total appropriate hours. The Trip Sheet is then turned into the company at the end of your runs. Then, your company is responsible for billing the business, usually on a monthly basis.

Sometimes the hourly rate doesn't appear on the Trip Sheet for corporate runs because your limousine company may be acting in the role of a subcontractor to a travel agency or another limousine company, (located within or outside your geographic area), **which has contracted the limousine service to their client.**

In this situation your company simply bills the run at so much an hour to the travel agency or limousine company and they in turn bill and collect from their client. The contracting travel or limousine agency doesn't want their client to know what hourly rate your limousine company is charging since they are **charging a higher rate** over and above your limousine company's rate.

Incidentally, it's very common for competitive limousine companies serving the same geographic area to subcontract services to each other. Sometimes a limousine company gets overbooked during a week or weekend and simply runs out of cars. **Most limo companies have working agreements with a couple other local companies**, so when this situation occurs they simply offload their booked reservations for a small percentage cut of the total bill.

In other cases your company might be contracted to provide all the limo services for a major event like "a golf tournament". When this occurs your company will have to line up a lot of other vehicles of all sizes and that means working with other limousine companies in your area to offload that business.



Professional Chauffeur Tip – When subcontracting for another company **do not discuss** under any circumstances the hourly rates with the clients even if you know a lot about hourly charges for different sized vehicles. Just tell the clients that you do not know what the rates are or they will have to get in touch with your dispatcher for rate quotes.

For instance your company may be billing the travel agency \$85.00 an hour for the vehicle and the travel agency may be billing the client \$100.00 an hour. If you **make the mistake of telling the clients** your limousine company's normal hourly rates, your company may lose the travel agency account.

As you may recall collecting for the corporate charge is easy because **you don't collect at all**. You just have the corporate client sign the Trip Sheet to authorize the number of hours he or she will be charging and that is all. That's pretty easy right?

6.2 Instructions for Clients Paying by Check

Any client that pays by check must be pre-approved by your company manager. *Did you notice what I just said? "Any client paying by check **must be pre-approved** by your company manager, unless your company gives you different instructions."*

Let me say that one more time, “**Any client paying by check must be pre-approved** by your company manager or dispatcher, unless you have received other instructions.”

Limousine companies **do not usually make a practice**



. . . . **of accepting checks unless the client is familiar to them** and has done business with them before. When the run is over, all you have to do is to make sure the check is filled out properly, meaning there are **no mistakes** in how the check has been filled out.

Do not take any post-dated checks unless your dispatcher approves. So, make certain the client has written the current date on the check. Check to see if the hand written amount is correct and matches the amount written in numbers. Make sure you have the client’s signature on the check.

Sometimes, companies require their drivers to write the client’s drivers license number somewhere on the check. Just be sure you understand your company’s policy regarding accepting checks.

When the run is over you simply attach the completed check either with a paper clip or by stapling it to the Trip Sheet and turn the paperwork into your company.

6.3 Cash Payments

Cash payments are very simple. Just figure up the number of hours the vehicle was initially reserved for plus the gratuity and any other charges then, total the amount and ask for the cash.

Occasionally, the client will ask for a receipt for the cash payment. Find out how your company wishes to **handle cash receipts** for clients. Usually a driver gives a completed copy of the Trip Sheet to the client indicating any cash received. After you receive the cash, I suggest you place it somewhere on your person, like in your billfold or inside your vest pocket of your suit.



Professional Chauffeur Tip – Never leave any payment (cash, check or credit card slips) laying around in the vehicle or in your briefcase. Clients have been known to get their payment back when the driver is out of the car. **If the money disappears, guess who is responsible for payment?** You guessed it the driver.

6.4 Collecting for Additional Hours

Another situation that occurs fairly often is when the client runs out of paid time and wants to keep the vehicle beyond this point (called "extended time"). We already discussed the subject in a previous lesson, but this information is of such importance I'd like to briefly touch on it again.

Always ask the client how many more hours he or she will want the vehicle. If they don’t know, ask them for an estimate. When they respond total up how much it will cost for their **estimated additional hours** and ask for that amount in cash or process another credit card transaction (or follow your company's policy).

Again most companies want their service fees upfront, especially if you're on a nightlife or nightclub run but different companies have different policies. In some instance's the vehicle is already booked immediately after your current run, so **no extension for additional hours** can be given to your client.

If the client doesn't know how many hours to add on or doesn't want to give you an estimate, just remind them that it is your company's policy that all services are paid for up front (if that's the case).

Ask the client where they want to go and what they want to do, then estimate the amount of hours that should probably take and then, tell them **you need a deposit** for that number of hours. And if they don't use all the time say you will make an adjustment at the end of the run and return the appropriate amount of unused funds (if that's your company's policy). If the client uses all the time for the extended run, ask for another deposit for the third extension and go through the same procedure again.

If you let the client off the hook and don't collect in advance and the client later reneges on paying for the additional hours, guess who pays it? **When a driver overlooks the rules and gets stiffed, it's a tough lesson to learn.** So be firm with the clients, but do it in a friendly way.

But what if the client insists on waiting until the end of the run to settle up? What should you do? You tell the client you have to check in with your company (by cell phone) on this one to advise the dispatcher of the client's request. Your company will undoubtedly have some policy on the situation just make sure you follow their instructions to the letter.

In this scenario the dispatcher will probably tell you that the funds must be collected up front . . .



. . . . which takes you off the hook as the bad guy (remember, you don't want to jeopardize your chances of getting a good tip at the end of the run). However, **don't let the client run over you** on this issue but on the other hand, you don't have to sound unfriendly either.

On those few occasions when a client is being stubborn about paying in advance, try to come across in a really friendly, understanding manner. Say something like



"Gee, Mr. Client I'm easy to get along with. I'll just call my company dispatcher and if it's okay we'll do it your way. Mr. Client, just stand by for a couple of minutes and I'll get an answer for you."

When you handle situations this way **the client thinks you are accommodating and friendly;** remember you don't want to ever come across in a confrontational manner with clients. By keeping on good terms with your client in these types of situations that goodwill can make the difference between your getting a tip or not getting a tip at the end of the run.

The bottom line is you want the client to know it's the company and the company's policy, which is denying their request and not you. You're just a nice guy. Remember when the run is over **nice guys (and gals too) get better gratuities.**

By the way I'm not trying to scare you about collecting cash. Every once in a while a client will try you on. Just remember the purpose of this training is to **get you ready for real-life situations out on the road**, so you're not caught flat-footed and unprepared. I can practically guarantee that this scenario will happen to you sooner or later and now you know how to handle it, right?

6.5 Paying with Credit Cards

Credit card transactions in the limousine business have changed dramatically in the last few years due to new high-tech software that use wireless and digital processing solutions. We used to have to carry multiply-copy, carbonized, credit card paper slips and the old, hard copy credit card swipe machines in the vehicle to process the client's credit card transactions.

Sometimes, when it came time to process the client's credit card you couldn't find the credit card machine anywhere in the vehicle that's when you had to **use "a little limo driver ingenuity"** to run the card.

You took the client's credit card, placed it on a flat surface such as the trunk lid or hood; holding the credit card very securely with your left hand you placed the blank credit card slip on top carefully making sure everything lined up properly. Holding a ballpoint pen in your right hand in a flat, horizontal position you raked the pen back and forth on the slip until you got the credit card impression. This is hard to do and you can easily wreck the credit card slip. When that happens you have to start all over again with a new credit card slip.

I doubt if you can find any limousine company using the outdated credit card swipe machines anymore, so as a new driver you're going to miss out on all this fun of using the old system. Wherever you land as a new driver your company will be using some form of electronic credit card processing which means you'll have to train up on their specific system.

Whatever system your company uses all the client information necessary to perform the service including credit/debit card data will be input at the time the reservation is taken. **Most reservations are still taken by phone**, but nowadays clients can go to the website to make their reservations directly online without talking to anyone if the company uses the new software technology.

Once the credit/debit card is entered the company will get a Pre-Approval and "lock in" the total amount of the reservation. These new reservation systems mean the credit card/debit slip is generated and printed at the limousine company office with the correct number of hours and charges and all the driver has to do is have the clients sign for the services.

However, when your client requests additional or extended time on the road at the conclusion of a run . . . **your company will have some provision that allows you to generate a new credit card/debit slip or transaction.**

Sometimes, the client will give you a different credit/debit card for the additional service or maybe, one of the other members of the client party will use his or her charge card. So as a driver, you'll have to be prepared to handle all these contingencies to receive payment for the company.

Again, your company should provide you with some orientation and training on processing credit cards just **make sure you're paying attention** and you understand their procedures and how their reservations system works. Make sure you get it right!

Just remember that with today's technologies your company will be using some type of automated, digital/electronic reservation process and some of these use different collection methods.

At this point you might be interested in looking at some of the new reservation systems by doing an Internet search using the key words "limousine software". These websites usually provide a "demo" of their software, so you can get a pretty good idea of what these systems look like.

Although these systems offer a range of functionality that looks a bit complicated, hard to understand and learn, don't worry because you don't need to be that familiar all these features. If you are a person who is "computer challenged", please **don't be overwhelmed by what you see** because anyone can learn the necessary tasks to successfully function in this "new digital world".

If you thoroughly learn the information presented in this lesson, you will be among the pros in this business. In our next lesson, I am going to cover the proper way to clean up your vehicle and talk about the type of policies companies have regarding vehicle cleanup.

Remember, study hard and Good Luck!



***This completes Lesson 6.
Please complete the following Review Questions.***



REVIEW QUESTIONS

1. Clients may pay for their limousine services in one or more of the following ways:
 - A. By corporate charge or by a check, if the client has been pre-approved by the manager of the limousine company
 - B. By a post-dated check or a personal I.O.U.
 - C. By credit card or cash
 - D. Both A and C

2. After a nine-hour nightlife run and an evening of drinking, a client might pass out and a driver would have some difficulty collecting from the client if the driver didn't collect for the run in advance.
 - A. True
 - B. False

3. Rule #1 is always collect for the job up front when you pick up the client unless the dispatcher has given different instructions.
 - A. True
 - B. False

4. When clients are approved for a corporate charge, it means they can:
 - A. Use any charge card they wish to pay for the services.
 - B. Use a personal check to pay for the services.
 - C. Just sign the Trip Sheet and the Limousine Company will bill them later.
 - D. None of the above.

5. Suppose you are on a run where the client is approved for a corporate charge. You happen to know that a tour company is subcontracting the run to your limousine company for less money than your company is charging the tour company. After a couple of hours the client asks you how much the hourly charges are. You should:
 - A. Tell the client what the charges are if you know.
 - B. If the Trip Sheet doesn't show the hourly charge, you should make a guess based on what you know your company normally charges.
 - C. You should tell the client you don't know what the charges are and suggest they contact the tour company for that information.
 - D. None of the above.

6. Whenever a travel agency, Tour Company or another limousine company subcontracts a run to your company, the chances are they are charging the client a higher hourly fee than they are paying to your company.
- A. True
 - B. False
7. All clients paying by a personal or business check for limousine services must be pre-approved by the management of your company.
- A. True
 - B. False
8. It's okay to take a post-dated check if you personally know the client.
- A. True
 - B. False
9. After you receive payment from the client for the limousine service, it's okay to keep the cash, check or credit card slip:
- A. Anywhere up front in the driver's compartment.
 - B. In your briefcase if you have one.
 - C. In your coat pocket or somewhere on your person.
 - D. All the above.
10. If a driver misplaces the cash payment he or she received from the client and cannot find it, what does the driver do?
- A. The driver should call the dispatcher to notify him or her of the loss.
 - B. The driver should tell the owner about the loss as soon as possible.
 - C. The driver has to cover the loss personally because the driver is responsible for the collection.
 - D. None of the above.
11. Suppose a client has reserved your limousine for seven hours and you have already collected for the run up front. You overhear the clients discussing that they are getting short of cash and they have already used up six hours of the run. You also sense the clients want to stay out three or four more hours. What should you do about collecting for the hours they have not paid for yet?
- A. Don't bother them to request additional funds.
 - B. You should mention that they would be running out of time within the next hour. Ask for a sufficient enough deposit to cover three more hours.
 - C. Tell them they can wait to pay you for the additional time at the conclusion of the run.
 - D. All of the above.
12. If your client resists your request for a deposit to cover the additional hours, always defer to company policy or state that you will call the dispatcher for approval of their request. The bottom line is never be the guy who tells the client he or she can't have what they want.
- A. True
 - B. False

13. Limousine companies can't collect for a credit/debit card transaction from the financial institution without first having the customer's signature on the credit/debit card slip.
- A. True
 - B. False
14. A pre-approval on a client's credit card for a specific amount of dollars for services really doesn't protect the limousine company from loss if the driver fills in a different amount of dollars on the credit card slip.
- A. True
 - B. False
15. The three most common credit cards clients' use is Visa, Master Charge and American Express.
- A. True
 - B. False